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INFO RUEHBR/AMEMBASSY BRASILIA 0377
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RUEHEG/AMEMBASSY CAIRO 0282
RUEHIL/AMEMBASSY ISLAMABAD 2690
RUEHNE/AMEMBASSY NEW DELHI 1220
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SIPDIS

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TAGS: [AORC](#) [ENRG](#) [KNNP](#) [RS](#) [TRGY](#) [IAEA](#)
SUBJECT: DEMARCHE DELIVERED: RUSSIAN PROPOSAL FOR ANGARSK
FUEL RESERVE BANK

REF: STATE 80019

Classified By: Charge d'Affaires Eric S. Rubin. Reasons 1.4 (b) and (d)
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¶1. (C) On August 5, Special Advisor for Nonproliferation and Arms Control Robert Einhorn delivered reftel demarche to MFA DVBR Deputy Director Oleg Rozhkov and Ambassador at Large and IAEA Governor Grigoriy Berdennikov, who expressed appreciation and stated that our demarche showed that the U.S. takes the matter seriously. Berdennikov argued that during the June 2009 Board of Governors meeting there was an attempt by some countries to "set back" the work of the IAEA, but he expressed his pleasure that the U.S. and Russia were able to work together to preserve the status quo. This kept the door open to future discussions, he said.

¶2. (C) Berdennikov said the GOR was working with the IAEA and hoped to finalize draft texts soon for the two agreements that would operationalize the GOR's proposal. Russia's assessment of the Board was gloomy. He said the GOR did not see the possibility of a consensus being reached with either the current or following Board. The GOR was not how sure to get the Board to move forward. That is why the GOR wanted to work with the United States and other countries to reach agreement on a fuel bank.

¶3. (C) Berdennikov recalled the 1995 NPT Review and Extension Conference when the GOR and U.S. worked together to achieve the necessary majority support by getting over 50 percent of participants as signed co-sponsors. He speculated that perhaps a similar situation could be achieved, as he believed several states would not allow the Board to move forward until it was demonstrated that their attempts to block progress would be outvoted.

¶4. (C) Berdennikov argued that some delegations to the next Board would want to have more discussions and would therefore be reluctant to move forward, no matter how much other delegations tried to persuade them. Greater discussion on how to approach these states was needed, he said. He added that the GOR never thought India would be such a hindrance. He said Russia was prepared for Brazilian and Pakistani opposition, but was surprised by India's position and activism.

¶5. (C) On August 6, Special Advisor Einhorn also raised the Angarsk issue with RosAtom Deputy Director Nikolay Spasskiy, who said he believed September would be a "make or break" timeframe for achieving IAEA endorsement. In response to the suggestion that the Russian proposal is more fully developed than the IAEA fuel bank proposal and therefore should be advanced first, Spasskiy said he believed the proposals

should be pursued in parallel. Picking up on the India point, Spasskiy said he was extremely disappointed with the Indians and has personally communicated that to them. He said the GOR would not have expected India to lead G-77 opposition in the wake of all the effort Russia expended to get India a Nuclear Suppliers Group exemption. Spasskiy said the Indians had indicated to him that the Indian Ambassador in Vienna had exceeded his instructions.

¶6. (U) Special Advisor Einhorn cleared this message.
RUBIN